JOHN A. ROWNTREE,
1412 Hamilton Bank Building,
Knoxville, Tennessee,

CLARENCE WALKER,
Twelfth Floor, Volunteer Building,
Chattanooga, Tennessee,

WILLIAM M. ABLES, JR.,
304 W. Third Street,
South Pittsburg, Tennessee,

SIZER CHAMBLISS,
610 Maclellan Building,
Chattanooga, Tennessee,

A. ALLAN KELLY,
First National Bank Building,
South Pittsburg, Tennessee,

Attorneys for Plaintiffs-Appellants.

INDEX TO SUPPLEMENTARY APPENDIX

EXCERPTS FROM TRANSCRIPT OF PROCEEDINGS

Testimony of Paul Gibbs—
Direct Examination 1124a
Testimony of Willis Flynn—
Direct Examination 1126a
Testimony of Herschel A. Daffron—
Cross-Examination 1136a
Testimony of Clarence McGowan—
Direct Examination 1138a
Testimony of A. W. White—
Direct Examination 1147a
Testimony of Grover Lewis—
Direct Examination 1150a
Testimony of Herbert R. Grant—
Direct Examination 1153a
Testimony of Bobby Layne—
Direct Examination 1158a
Testimony of Mark Eastin—
Direct Examination 1160a
Cross-Examination 1161a
Testimony of Carl McFarlin—
Direct Examination 1163a
Testimony of Paul V. Callis—
Direct Examination 1165a
Testimony of William Von Meding—
Direct Examination 1169a
Testimony of George Ramsey—
Direct Examination 1177a

Exhibit P-159 [Page 12, UMW Journal, November 1, 1963] 1178a
Testimony of C. Edwin Ross—
Cross-Examination 1181a
Testimony of Paul V. Callis—
Direct Examination 1185a
Exhibit P-302 [Letter, Tennessee Consolidated Coal Co. to Employees, September 23, 1960] 1186a
Exhibit P-303 [Letter, Tennessee Consolidated Coal Co. to Employees, December 28, 1960] 1190a

EXCERPTS FROM TRANSCRIPT OF PROCEEDINGS

* * *

[7] **PAUL GIBBS,**

a plaintiff, called as a witness at the instance of the plaintiffs, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

* * *

[37] Q Okay. Do you recall about what time of year that the old business or old contract which we have referred to began to play out?

A I believe that was about June of '57.

Q Okay. Prior to that time had you had to reschedule your work in the mines or in any method or way?

A Well, what happened during that time we might have got a few more days work at the mines than the

[38] other places for I had a better grade of coal, the Floyd Hollow coal was a better grade of coal than anywhere on the Whitwell area, but some of them had to just completely stop work altogether, but I got more work.

Q Did you have to stop completely?

A No, sir, I didn't.

Q Did it affect you in any way in your working?

A Yes, it cut my days down, I didn't get to work full time.

Q Okay. I hand you letter or memorandum there and ask you if you can identify that.

A Yes, sir.

Q Will you tell us what it is?

A Well, it's a notice that some of the truck mines didn't get any business and the mines that did have business, they was going to be able to operate three to four days a week to finish up the contract with.

Q Okay. What is the date of the letter?

A March the 29th, 1957.

Q And from whom is the letter?

A Mr. W. J. Travis.

Q And who is it addressed to?

A To All Whitwell Truck Mine Operators.

Q Did you receive a copy of that letter?

A Yes, sir.

[39] Q Would you file that as an exhibit to your testimony?

* * *

A "Whitwell, Tennessee. March 29, 1957.

"To All Whitwell Truck Mine Operators:

[40] "As you know, neither the Daus nor Whitwell operations were awarded any tonnage on the last TVA bid. The Daus mines were closed down today, Friday, March 29th. These mines are through until we can obtain new business for them. The Whitwell mines will be able to operate three to four days a week until May 15th.

"We will be off Monday for the holiday and will go back to work Tuesday. Since we have approximately five weeks work left at Whitwell, we should continue without a strike because TVA will not let us make up any tonnage lost due to a strike. In other words, May 15th is the last day of our present TVA contracts whether we ship any coal on them or not.

"The next two or three months will be the roughest time we have ever had. We will just have to grit our teeth and hope for the best until conditions change.

"Yours very truly, W. J. Travis, Assistant Vice President."

Q After the contract that we have discussed previously that you were working under or on at TVA expired, was there a contract obtained for your Whitwell operations there by Tennessee Products?

A Early part of '58.

* * *

[51] Q After the contract expired that you were previously working on, the Mt. Olive-Holly Branch, in August or September of '59, did you have any market for your coal locally?

A No, sir. Locally?

Q Yes.

A Yes, sir, I sold some to Dewey Trussell.

Q Was it a good market at this time or not?

A No. He would only take so much, he was mining himself and he would just take what he could handle from me to keep his shakers running.

* * *

[758] **WILLIS FLYNN,**

a plaintiff, called as a witness at the instance of the plaintiffs, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

* * *

[787] Q Were you going in over this picket line during this period of time, sir? First, where was the picket line located?

A It was what we call the access road going into Grays Creek, off the Pocket Road highway.

Q That was right at the entrance of the Grays Creek mine area?

A That's correct.

Q Did you ever see any District 19 or International Union representatives present at that picket line?

A I have seen Mr. Madewell there and I seen Mr. Edwin Ross there at one time.

Q I will ask you if at December the 26th, 1962, you saw any District 19 or International representatives present?

[788] A I seen Mr. Madewell there on December the 27th.

Q Did you have any discussions with Mr. Madewell?

A I had bought some equipment and they had delivered it late on December the 26th night and they was a heavy picket line on December the 27th, a big crowd of people, men, and they wouldn't let anybody in to work and I asked Mr. Madewell about taking some men down to take care of this equipment that they had unloaded about five or six hundred feet from the mines and he told me that the men had been mistreated, he thought, at No. 11 mines, and he was in sympathy with them and he would rather that there wouldn't anybody go in there.

Q Did he make any reference at that time to the truck mines that were located in the area or in the Grays Creek area?

A Well, do you mean the men working in them?

Q Yes.

A Repeat that.

Q Did Mr. Madewell make any statements in regard to the small truck mines in the Grays Creek area at the time you were talking with him?

A He said that the Grays Creek area belonged to the Palmer local, they was to have that territory.

Q What is the Palmer local made up of?

A The men that work in the mechanical mines.

[789] Q Did you see any other District officer or representative, International Union representative, at this particular picket line?

A I seen officers of the local union there, I can't remember any other District representatives.

Q Following the total strike of December the 26th, did you attempt to operate your Flynn mine located at Bee Branch?

A No, the men was on the picket line that worked in that mine, a majority of them that morning.

Q What did you do with your equipment located at the Flynn mine after December the 26th, 1962?

A I had to let it stay where it was at until we finally went over the picket line, some of the men did, and we went in and worked, and, of course——

Q (Interposing) Now, wait just a minute. I am speaking of the Bee Branch mine, Mr. Flynn.

A Oh, we didn't work, we had issued a work call different times, but the men refused to work without a contract, and I was told to notify the men they would be work on Monday in the first part of May, and I went to the mines on that morning and none of the men didn't come in or the next morning, the next day I went back and left, and then about 1:00 o'clock that day, why, everything I had over there was burned up except my rail locomotive and fan.

[790] MR. COMBS: Of course, we have a continuing

objection to this type of evidence where they don't specify who burned the places and no connection with the defendants.

THE COURT: All right.

BY MR. WALKER:

Q Did you try to guard your equipment after December the 26th, 1962, Mr. Flynn?

A Well, I did for a while. I could keep a man, I had a house or a shack, you call it, I had it furnished, a man lived there, but after we was working, I was working this mine in Grays Creek, union trouble got so bad couldn't get anybody to stay there, they was afraid.

Q Have you ever had any troubles like this prior to December or prior to May, 1953, or prior to the strike of December the 26th, 1962?

A No, nothing except we had shut down and strikes and things but no hard feelings that I can remember of.

Q Did you have any buildings or equipment destroyed prior to this time?

A No, I hadn't.

Q Anything else occur to your mines located at Bee Branch after the fire?

A I went back one morning to see about the motor, the motor that was left and the rail and the fan, and when I got there, I had been there 10 or 15 minutes, and they started shooting up on the hill above me and I left
[791] and I never did go back any more.

Q Were you able to salvage any of your equipment?

A I finally got some men to slip in there one night and get the motor for me and the fan.

Q Going back ——

A (Interposing) But they wouldn't go with me, said it was too dangerous for them to go with me.

Q Going back to your Grays Creek mine, starting with January of 1963, February up through this period of time, did you have any unusual occurrences at your Grays Creek mine?

A Yes.

Q What occurred, Mr. Flynn?

THE COURT: This is what?

MR. WALKER: This is January or starting with January of 1963 and actually it will continue through December 31st, 1964.

A Well.

Q Speak up a little bit, Mr. Flynn.

A Well, they was putting off dynamite on the hill up above the mines, somebody, and I was shot at on—either shot at or they was shooting down on the yard there at the mines five different times through the period from December the 26th until the middle of the last time they was any shooting there.

[792] Q When did you start going into your Grays Creek mine, Mr. Flynn?

A I went in, I went daily unless the picket line stopped us up until, I believe it was May the 7th when it burned up, everything I had over at this Bee Branch mines, and I knew that if they got in there and destroyed that one, why, it would destroy me and I stayed in there 15 weeks with another man, Mr. Lonnie Morrison.

Q You stayed at Grays Creek for a period of 13 weeks?

A I stayed for a period of 13 weeks, I went home one night in 13 weeks.

Q Any unusual occurrences at home during this period of time?

A Between December the 26th and the time that I went to Grays Creek to stay they was passing the house, up and down the road all night long, I was getting telephone calls,

they was going to dynamite me, telling my family they was going to shoot me when I got out and going to kill me, and I finally talked it over with my family and told them. When I would be at work there wasn't any telephone calls. I told them if I would leave ——

MR. COMBS: (Interposing) We object to the conversation that he had, strictly hearsay.

THE COURT: Sustained.

[793] BY MR. WALKER:

Q How many men did you have at your Grays Creek mine starting in the first part of '63 that turned up for work?

A Run from 8 to 12 men.

Q How did you all get in to work in the mornings?

A We went, we met on the mountain.

Q Where did you meet?

A At Mr. Riley Sitz' filling station.

Q How did you go from there to your mine, Mr. Flynn?

A We went in a convoy bumper to bumper.

Q What was the size of the picket line in numbers of men during this period of time, Mr. Flynn?

A It was estimated to run from 50 men to as high as 500.

Q Did you ever see any unusual occurrences occur as you all tried to go through the picket line?

A Yes, they would crowd up to the side of the road, each side of it and, of course, making remarks, sneering, and there was shooting on one occasion.

Q Did you observe that shooting?

A I was in the convoy and I was about four or five cars back.

Q Tell us what you saw on that occasion, Mr. Flynn?

A Well, I didn't, I heard the guns firing and I seen

[794] Mr. Higgins' truck after it was hit. He went through the picket line.

Q Did they ——

A (Interposing) Huh?

Q Go ahead and continue.

A Mr. Howard Higgins went through the line and they shot in his truck, I heard the guns fire, but I didn't see it and Alton Johnson went through the picket line, they shot in the back of his station wagon and they hit Mr. Anderson, and when the shooting started, why, we turned around and the majority of us turned around and went back to Sitz' station. Mr. Callis come from the Grays Creek section.

MR. KRAMER: Did he see this?

MR. WALKER: I am going to ask him.

BY MR. WALKER:

Q Did you see the shooting in the car that carried Mr. Anderson?

A I heard the guns fire, I heard the gun fire and then I seen Johnson, the driver, he made a bobble, he wobbled in the road and went on through.

Q Did you see Mr. Johnson's car after you heard this shot?

A I did.

Q What was the condition of that car?

[795] A They was a bullet hole in the back of it.

Q What kind of bullet hole?

A It looked like it was a pistol bullet to me.

Q Did you see this Mr. Anderson after you had heard the shot?

A I went to the hospital and seen him, that's where I seen Mr. Johnson's car.

Q And what was Mr. Anderson's condition at the time you saw him?

A He had been hit in the shoulder, the best I can remember.

Q After you heard the shots, did you later examine Mr. Howard Higgins' truck?

A I seen it about an hour after that.

Q And what did you find on Mr. Higgins' truck?

A I believe it had been hit by two or three bullets, I can't remember.

Q Was it after this occasion here that you began staying at Grays Creek, staying at the mine after this particular occasion you had referred to here, is this when you started staying at Grays Creek?

A Yes, it was—no, no, that was after I had stayed in Grays Creek, after I had got a watchman down there, finally got a watchman and——

Q (Interposing) You had a watchman down
[796] there during this period?

A Yes.

Q Going back to this period of time that you were staying there, tell us what occurred at your mines on those occasions?

A They were shooting on two occasions, one occasion I went in, got a school bus over there that I bought for a toolhouse, I went in the door of it and they shot in the door, three bullets hit in the door. On one occasion I went in what we call the motor barn where I put my tractor. I went in there, why, it was shot into four times and the other times, why, the shooting bullets was hitting out on the yard, but that was the closest that they ever come to me, the two occasions was the only time that they ever got really close to me.

Q This occasion that they shot in the yard, let me ask you a few questions about that. Were your men in the yard at the time immediately preceding this shooting or before you were?

A My mine foreman had come out of the mines, inside foreman had come out of the mines and was getting some material to take back in, and I had taken my son over there that day, let him go with me, he was there. He had been walking around out there and two truck drivers was out there.

Q Did anything occur while those men were
[797] out there by themselves?

A Did not.

Q What occurred when you joined the group?

A They come over where I was sitting, and I went out on the yard for some purpose and when I walked up, why, that's when, that's when the shooting started, started over to my left and I had got behind the car and my son hollered and told me they was shooting at me from the other side.

Q Where did you sleep up there, Mr. Flynn, while you were staying up at Grays Creek?

A We would sleep under one tree one night and another one the next one, we wouldn't stay in the same spot two nights on the straight.

Q After you got some people that you could hire for guards, where did you reside at that time, where did you move to or where were you living at that time?

A Cartwright, Tennessee, that's between Whitwell and Dunlap.

Q And where were you living there?

A I lived in an apartment that belongs to Mr. Bill Brown, I lived in the house with him there for about three months.

Q Did anything unusual happen over there?

A They guarded the house I slept in.

Q Did anything occur while you were there?
[798] A Yes, they was dynamite going off at

different places, not there at the building because it was watched, but it would be maybe a thousand feet off they would come in as close as they thought it was safe and throw the dynamite and let it go off.

Q Did anything occur other than shootings around your Grays Creek mine?

A When we were staying over there, they would set dynamite off all night long on the hill above us.

Q Was this a frequent or ——

A (Interposing) All night, continual rumble of it almost.

Q Do you recall when the last time that you had anything unusual occur to you as far as any violent acts?

A It was last summer when they was shooting down on the yard there where I was at, was the last trouble they have caused me. I have been sent word I better not come out to the mountain where I lived, I would be killed if I did.

MR. RAYSON: We object to that, Your Honor.

THE COURT: Sustained.

BY MR. WALKER:

Q Where were you living at the time you started into the work on the Grays Creek mine, Mr. Flynn?

A I lived at Lauger in my own home.

Q When did you move from Lauger, Tennes-
[799] see?

A I left there when I went in over this 13-week period of time in Grays Creek, that was after —it was in the first part of May, I believe, after they had burned my tipple in the Bee Branch section.

Q Does your family still live there?

A They stayed there, my wife taught school, and she stayed there until school term ended.

Q Where do they live now?

A They live at Cartwright with me.

Q Did you move your family out of that house, Mr. Flynn, did you personally move them out?

A No, I couldn't go back out there, they moved themselves.

* * *

[875] **HERSCHEL A. DAFFRON,**

a witness called at the instance of the plaintiffs, being first duly sworn, was examined and testified as follows:

* * *

[904] CROSS-EXAMINATION

* * *

[914] Q Had you experienced a higher level of production at any point in your operation of this mine?

A Not too much per man. Actually what happened is the stuff that we couldn't work we would just take up and make what we could work with and do a pretty good job. We did a pretty good job of holding the unit production, that is, production per man, but, of course, the overall production that we run every day was less than what we had been running, in other words, it dropped the total production down for the mine but as a unit it stayed fairly close.

Q By the way, you testified on direct examination that your production ran from about 600 tons per day up to 2500 tons per day?

A Right.

Q Now, was this 600 tons per day the result of your running into these squeezes you were talking about?

A No, sir. The mine was new, we just
[915] hadn't developed it to the point that we could put in additional equipment.

Q I see. Well, what was your average when you had all of this equipment in, when you got the equipment in you weren't getting 600 tons a day then, were you?

A At our peak?

Q Yes. What would be your variation?

A Well, it would fluctuate, as I stated before, we would fluctuate due to these interruptions that we would hit in the mine, our tonnage would fluctuate from six or 700 tons a day up to 2700 tons.

Q After you got all of the equipment?

A After we got all of the equipment in.

Q You said that these squeezes were something that were unpredictable, there was no particular pattern to them?

A Right.

Q Well, would you say that every two or three months you would run into one?

A Yes, sir.

Q It wouldn't be much longer than that, would it?

A Well, I don't remember any time that we were completely out of the area that we are talking about there, usually we always had some of our equipment in trouble and that is where we gave you the 20 per cent, about 20 per cent of the time we were in trouble.

* * *

[1067] **CLARENCE McGOWAN,**

a witness called at the instance of the plaintiffs, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

* * *

[1090] Q Were there picket lines on other places on the mountain that you saw during that period of time from your home?

A Yes, sir.

Q Whereabouts were they?

A Right there at the Pocket Road, they was a picket line there.

[1091] Q Now, you lived how close to that road?

A About 350 feet.

Q Did you pass that road every morning?

A Yes, sir.

Q What did you see there in January passing by there, who did you observe on that line?

A Well, they was an awful bunch of men.

Q Did you recognize any of them?

A Oh, yes, yes.

Q Who were they, Mr. McGowan?

A Well, Frank Jim Layne was there, John Hicks, Jim Hicks, Leonard Layne, Frank Rollins, oh, they was a bunch there that I could call if I would just think about them.

Q Yes, sir. They were there regularly during the month of January?

A They were there.

Q Did you observe or did you see the Grundy employees at any time there yourself?

A Yes, sir, I saw them trying to go in to work of a morning, I could tell it from my house, I could see everything that was going on from right where I was at.

* * *

[1095] Q Now, what else did you observe there on that occasion?

A Well, they was men all over the place, I guess they was 500 men.

Q Yes, sir. Did you see where the men [1096] were located?

A They was all around there, the Pocket Road, you couldn't get by.

Q Was there a building there of some nature at the Pocket Road?

A Yes, sir.

Q Where was it located?

A There was two buildings right on the corner

Q And were they on both sides of the road?

A Yes, sir.

Q Did you observe anybody on the building?

A The tops of the building was full of men.

Q Did you observe any firearms there on that occasion?

A Yes, sir.

Q What type of firearms did you see?

A There was rifles and shotguns both.

Q On the building?

A Yes, sir.

Q How long did that picket line stay there on that day?

A Well, it stayed practically the whole day.

Q Did you recognize anybody there on the line as you passed by there?

A Well, Ash Rollins and Frank Layne and Bill Ross, I know he was there.

[1097] THE COURT: What day is this?

MR. ABLES: This is the 22nd of February he is testifying about, 1963.

BY MR. ABLES:

Q Did you see the troopers when they came in?

A Yes, sir.

Q And left out?

A Yes, sir.

Q Did you observe whether they had anybody in their cars?

A They had the three men that was in the trucks, they had one of them, they kept two of them in and let one trucker pull the trucks out of the road, one man done the driving of all three, of two trucks, pulled them up out of the road, they took these men, tripped the truck tailgates and let the coal out in the road.

Q Who did that?

A Some of the men that was standing around there, some of that bunch that was standing bunched up around the trucks.

Q How close were you to the trucks themselves when you——

A (Interposing) Oh, I was about 200 feet.

Q Could you see the trucks?

A Oh, yes, yes, sir.

[1098] Q Could you see the trucks before the men were arrested?

A Yes, sir.

Q Well, now, just what were the people doing there around the trucks?

A They just, when the trucks come out of the Pocket, they went running out to the road and pushed in—this car, pushed back across the road.

Q Yes, sir.

A And they wasn't no way for the trucks to get around them, they had the road blocked, they couldn't get by.

Q Where were the other people there that were there?

A The Highway Patrolman, they run out and motioned for the Highway Patrol, then they was right in front of my house and they come on down there.

Q Now, the people who were standing around the Pocket hall, that hall there, that building, where did they move when they, the trucks, started coming, did they make any movement?

A They was the ones that was out in the road.

Q Were they going down the road towards the trucks?

A They just went out in the road, the Pocket Road, the intersection there, and where the trucks had to come out on the main 108 Highway, they blocked that road completely.

[1099] Q Yes, sir. Now, after that arrest, did you have an opportunity to observe that picket line on other occasions?

A Every day.

Q Every day?

A Yes, sir.

Q Well, now, how long did that picket line stay there?

A It was there when I left there.

Q And you left when?

A They is some of it still there today.

Q Yes, sir. You left when?

A Well, I left the last—I moved from there in the last part of July.

Q What year?

A '63.

Q 1963?

A Yes, sir.

Q Now, during that period of time from February through July when you left were you employed anywhere?

A No, sir, I wasn't.

Q Did you go over to your mines on Daus?

A No, sir.

Q Did you go to your mine there at old Four North?

A I never did go back to them, I never did fool around them any.

[1100] Q Were you at home every day?

A Yes, sir.

Q How many men did you observe there at that junction?

A Well, they was from 150 to 350 men every day.

Q And how long did this keep up?

A Well, it was still there when I moved, they was still doing that whenever I left.

Q Yes, sir. Well, now, did you observe any Highway Patrolman out there?

A Yes, sir, talked to them a lot of times.

Q Did you recognize anybody on that picket line there at the junction?

A Yes, sir.

Q Who did you recognize off and on during that period of time from February that you mentioned on up until July, when you left?

A Well, Bryan Parmalee and Harvey Howell.

Q Who is Harvey Howell?

A Well, he is just, he is a United Mine Worker, he worked in the Pocket down there, I just know him, Harvey Howell.

Q Bryan Parmalee?

A Yes.

Q Who else did you recognize there?

[1101] A Johnny Layne.

Q Yes, sir. Who is Johnny Layne?

A He's a local member of the Pocket local.

Q Now, did you observe Mr. Madewell there on any occasion?

A Mr. Madewell was there, he come by there every —just about every day.

Q Did he stop?

A He would just drive on through and when the picket line broke up, why, they would all go towards Palmer.

Q Yes, sir. Now, that was about a regular daily occasion?

A That's right.

Q You mentioned he came through as they were breaking up. Just what happened there?

A When he would drive there, why, they would break off from the picket line, everybody would just about leave, sometimes there would be two or three men stay and the rest of them would all leave.

Q Now, did they proceed after him down the highway?

A Yes, sir.

Q Which way did they go?

A Towards Palmer.

Q Of course, you didn't follow them?

A No, sir, I didn't have no business.

[1102] Q And this happened on how many occasions?

A Well, a number of them.

Q Were you an object of some violence there at your home?

A Yes, sir, I was.

Q What occurred to you there?

A Well, they shot my house up, they shot ——

MR. COMBS: (Interposing) We, of course, we have a continuing objection, and we would like to have the time that he is talking about here.

MR. ABLES: I will get that, Mr. Combs.

BY MR. ABLES:

Q Do you recall on one occasion your picture window was shot?

A It was on the 13th day of June.

MR. COMBS: We suggest these questions are very leading, Your Honor.

THE COURT: Sustained.

MR. ABLES: All right.

BY MR. ABLES:

Q Just state on what occasions that you had some trouble.

A Well, I had a newborn baby on the 10th day of June.

Q What year, sir?

[1103] A 1963.

Q All right. What occurred relative to that date?

A They had me blocked in and I couldn't get out with my wife to take her to the hospital.

Q Who had you blocked?

A United Mine Workers, they had their cars parked all around my house, a picket line.

MR. COMBS: We object to that type of answer, Your Honor; obviously, Your Honor, the United Mine Workers couldn't do that. He could say people that belonged or something of that character; that's a conclusion, and we object to it and we ask it be stricken.

THE COURT: Sustained.

BY MR. ABLES:

Q Mr. McGowan, who did the vehicles belong to?

A They belonged to the fellers that belonged to the United Mine Workers, they was members of the United Mine Workers, we'll put it that way.

Q Did they move for you when you asked?

A They moved the cars so I could get out, yes, sir.

Q All right. Now, relative to the date of the birth of the youngster, what else occurred?

A They shot my picture window out the day it was six days old. My wife left her mother, come and begged her to leave there and get out and that was on Sunday and they shot my picture window out that night.

[1104] Q Who shot your window out?

A Ray Kilgore and Fred McHoan, Jr.

Q Who are they?

A They belong to the United Mine Workers.

Q Had you seen them on the picket line?

A Yes, sir.

Q On what occasion?

A Every day.

Q What other acts of violence or other acts happened to you?

A Well, on Wednesday after they shot my picture window out on Sunday night, why, they blew my scales up.

Q Where were the scales?

A They are right there at the Pocket Road.

Q Do you know who did that?

A No, sir, I don't know who done that.

Q Was that scales in use?

A I hadn't weighed a load of coal on them in two years.

Q What else occurred?

A Well, they shot, the same ones that shot my window out they shot a car glass out in front of that Shell service station there and shot his door out in the station.

Q Did you see that?

[1105] A I run out the road just as he set in shooting in front of the station, and then he went right on down the road and shot in Riley Sitz' house.

Q Do you recall ——

MR. COMBS: (Interposing) If the Court please, we have a continuing objection, but he was traveling so fast

that I didn't get the names. Counsel, who did he say shot his picture window out, would you mind giving me that?

BY MR. ABLES:

Q Would you tell that?

A Ray Kilgore and Fred McHoan, Jr.

Q And what type of vehicle were they driving?

A They was driving a '49 or a '50 Chevrolet car.

Q Yes, sir.

A A green and white, a dark green bottom and a white top.

Q Had you seen this car before?

A They had stopped there at that beer joint and come out of it when they shot my window out.

Q Had you seen it on other occasions?

A Yes, sir, every day.

Q Whereabouts?

A Up and down the road there.

Q Had it——

A (Interposing) In there at the picket line.

[1106] Q All right, sir. Now, what else occurred to you there, Mr. McGowan?

A Well, they shot a hundred and fifty shots into the back of my house.

Q When did this occur, sir?

A Well, that was just about every night.

Q About what time of night would this happen?

A Well, they don't have no certain time, just after it set in getting dark until daylight, you just didn't never get any sleep, that's all.

Q Now, that's when you finally decided to leave the mountain?

A I finally decided to leave and moved out and left it.

* * *

[1174] **A. W. WHITE,**

a witness called at the instance of the plaintiffs, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. CAMERON:

Q Sir, would you please state your name, age and residence?

A A. W. White; age, 54; residence at Whitwell.

Q Do you also have a residence on Signal Mountain?

A Well, I work out there and stay there during the week, that's Route 2, Tinesville Road.

Q What is your present occupation, Mr. White?

A Well, I am working for Brown Brothers Hardware on Signal Mountain.

Q In the year 1955 what was your occupation?

A I was operating a small coal mine on Tines-
[1175] ville Road.

Q Where is Tinesville Road?

A Off of Taft Highway.

Q On Signal Mountain?

A On Signal Mountain.

Q Were you a small operator?

A Yes, sir.

Q Now, Mr. White, I call your attention to on or about the middle of September, 1955. At that time were you operating a mine on Signal Mountain?

A Yes, sir.

Q Around that period of time did a group of men come into that area from Marion, Sequatchie and Grundy County?

A Yes, sir.

MR. COMBS: If the Court please, we object to any further questions and answers on this. The Court has

sustained a motion on the remoteness of this situation up around Signal Mountain in the year 1955, which was ten years ago, and it is outside of the coal field area, as I recall the Court sustained the motion on that yesterday.

THE COURT: As I recall, we were dealing in '52 at that time and this is '55.

MR. ROWNTREE: I think '55 is a very crucial year in this case, Your Honor.

THE COURT: I believe I will overrule the objection at this point, although we are talking about an [1176] area that has not been directly and we are talking about a party who is not a party to the lawsuit at the time, it is rather remote and I believe I will overrule and consider what weight, if any, shall be given to the evidence.

BY MR. CAMERON:

Q Around that time did these group of men set up any picket lines near Tinesville Road?

A Yes, sir.

Q Now, is Tinesville Road what is commonly known as Smoky Row?

A It is.

Q Prior to their coming to this area, were you all hauling coal out of this area?

A I was.

Q After their coming to this area did you cease to haul coal for some period of time?

A Yes, sir.

Q How long was that, approximately?

A Something from two to three weeks, I do not remember.

Q During that two to three weeks period, did you have an occasion to meet with any of the members of this group?

A Yes, sir.

[1177] Q Do you recall whether or not you met with one Mr. George Gilbert?

A We did.

Q And who else met with Mr. Gilbert on the particular occasion when he met with small mine operators on the mountain?

A Well, there was Grover Lewis, Mitchell Kilgore, Doc Spangler, Lloyd Little and myself.

Q Now, what was the occasion for this meeting?

A It was to discuss signing a contract.

Q Was this meeting with Mr. George Gilbert, himself?

A Yeah.

MR. COMBS: Now, if the Court please, may I have a continuing objection to this line of evidence in this area?

THE COURT: Yes.

BY MR. CAMERON:

Q What contract were you discussing?

A Wage and welfare.

Q Do you recall the amount of welfare involved in the particular contract?

A Forty cents per ton.

Q Now, relating to this particular meeting and conversation, would you just please state in your own words what Mr. Gilbert said to you in regard to this contract in the 40-cent welfare?

[1178] A He asked us to sign the contract and the welfare. We told him we couldn't pay and he said, "Pay what you can, if you can't pay 40 cents, pay 30; if you can't pay 30, pay 20, or whatever you can."

Q Did you at that time or any subsequent time sign the contract?

A No, sir.

Q Now, Mr. White, were you present on or about

October 17th when a caravan of men came to Signal Mountain?

A I was.

MR. COMBS: When was this, Counsel?

MR. CAMERON: Fifty-five, pardon me, on or about October 17, 1955.

You may ask.

MR. COMBS: We have no questions, your Honor.

THE COURT: All right. You may step down.

(Witness excused.)

MR. CAMERON: Mr. Grover Lewis, please.

GROVER LEWIS,

a witness called at the instance of the plaintiffs, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. CAMERON:

Q Sir, would you please state your name, age and residence?

A Grover Lewis; age 42; I live on Pickett [1179] Road, Signal Mountain.

Q What is your present occupation, Mr. Lewis?

A Mining, coal mining.

Q Where are your mines located?

A In Sequatchie County.

Q Now, Mr. Lewis, in 1955 what was your occupation?

A I was mining.

Q Did you operate your own mines?

A Yes, sir.

Q And where were these mines located?

A On Pineville Road, Signal Mountain, Tinesville Road, pardon me.

Q Now, Mr. Lewis, in 1955 where did you live?

A I lived on Tinesville Road as you turn off of Taft Highway.

Q Now, I call your attention to the month of September of 1955 and ask you if during that month a group of men came into the area and these men having, driving cars bearing Marion County, Sequatchie County and Grundy County plates?

MR. RAYSON: We object to the leading question of counsel, your Honor.

THE COURT: Sustained.

Q Disregarding that latter part, would you [1180] please state whether or not a group of men came into that area?

A They did.

Q Did you see these men at the particular time when they came in?

A I did.

Q Approximately how many would you say were in this group?

A Well, there was about three different times they came up there.

Q We are talking about the first time, Mr. Lewis.

A Oh, I would say there was a hundred.

Q Now, Mr. Lewis, did you observe the cars that they were driving?

A I did.

Q Would you relate to the Court whether or not you saw the license tags of these vehicles?

A They had 54, 82 and 93.

Q Now, at that time did you see one Mr. George Gilbert?

A I did.

Q Had you known Mr. Gilbert prior?

A No, not until we got in that discussion.

Q After this group first came in, did you have an occasion to again see Mr. Gilbert, this time in regard to certain negotiations?

[1181] A I did.

Q And what were these negotiations concerned with, sir?

A To sign the contract for the welfare and the miners pension.

Q And what, in your own words, did Mr. Gilbert say in regard to the signing of this contract?

A Well, he just wanted us to sign the contract and it called for 40 cents a ton and we couldn't pay that and we discussed that and he said, "Well, you can pay as you can."

Q Now, were any of your mines union mines?

A They was not.

Q Did you have any union members at that time working in your mine?

A I did not.

Q Now, after that occasion, on or about October 4, 1955, did you have an occasion to see any group of men on that day?

A Yeah, I think I did, yes.

Q Do you know whether or not during that period of time you saw Mr. George Gilbert?

A He was with them every time they came out.

* * *

[1245] **HERBERT R. GRANT**

a witness called at the instance of the plaintiffs, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. ROWNTREE:

Q What is your name, sir?

A Herbert R. Grant.

[1246] Q Will you speak up so that these gentlemen back here can hear you?

Where do you live?

A I live at Daisy, Route 1.

Q What is your position or work?

A I am warden at the Silverdale Workhouse.

Q What were you—

MR. COMBS: (Interposing) I didn't get the answer to that last question.

THE COURT: Warden at the Silverdale Workhouse.

Q Is that a Hamilton County institution?

A Yes, sir.

Q What was your occupation in the fall of 1955?

A I was with the sheriff's office.

Q Of Hamilton County?

A Yes, sir.

Q What position did you have in the sheriff's office?

A I was chief deputy there at that time.

* * *

[1247] Q Did you meet Mr. George Gilbert some time in October, September or October of 1955?

A Yes, sir, Mr. Gilbert, now, I don't know the first name.

Q All right, sir. What was the incident where you met him?

A We got a call on Signal Mountain and went up there, I believe it was, oh, about a shooting at that time. I know we were on call and I went up there and met him there down on Tinesville Road, down toward the hollow.

Q What took place when you met with him?

A I talked to him, Mr. Gilbert, there and told him that, of course, he realized that we were county police, I told him we were not on either side. They had a little dispute of some description, I didn't go into detail, but we went up there to keep—asked him to keep the road clear and we were going to keep order as long as we could.

Q And when was the next time that you met Mr. Gilbert, do you recall something on October 17, 1955?

A On about that date we got a call, I believe I was in the courthouse at the time and the sheriff called me and told me they was having trouble up there, to get up there.

MR. RAYSON: Of course, we object to what [1248] this witness says the sheriff told him.

THE COURT: Sustained.

Q Regardless of what was told you by the sheriff, would you state what you did as a result of that conversation?

A Well, we went to Signal Mountain and went down this Tinesville Road where the trouble was supposed to be. They had the road blocked and, in other words, I stopped and asked them to move so I could get down and asked them to move their cars.

Q What did you see when you got down to that point?

A Had the road blocked and cars all over the side of the road and several men around.

Q All right, sir. What happened at that point?

A I asked them to not to block the road, they told me they would have to see the boss.

Q And what did you do?

A I went on to the foot of the hill, I realized it was Mr. Gilbert for it was the man I talked to before seemed to be in charge and I talked to Mr. Gilbert.

MR. COMBS: We object to the speculation of the witness. He can tell what he did but we object to what seemed to be.

THE COURT: Sustained.

MR. COMBS: Also we have a running objection [1249] to this objection or to this evidence on Signal Mountain.

Q Did you see Mr. Gilbert at the foot of the hill?

A I did.

Q What did you do?

A I asked him if he would unblock the road up there, that they had the road blocked.

Q And what was Mr. Gilbert's response?

A He sent three men up there to ask them to move the cars.

Q And did they move them?

A They did.

Q Did you observe any weapons in the possession of these men?

A Yes, sir.

Q What did you see?

A They had shotguns and rifles.

Q Where did the men come from at the time that Mr. Gilbert sent his runners out to—

MR. COMBS: (Interposing) We object.

MR. RAYSON: We object.

MR. COMBS: We object to that accusation. He said he sent three men up there, he didn't say three runners. This is not a military operation, I don't think.

Q What did Mr. Gilbert call these men that he sent out?

[1250] A Well, he asked for three runners, as I understood it, send three runners up there.

Q And did three men go up?

A Yes, sir.

Q What happened from that point on, did the cars clear the road and just describe what took place from that point on?

A Yes, sir, they cleared the road and two of our men caught a man on the picket line there with a pistol on him, they saw his pistol and they took the pistol from him.

MR. COMBS: We object to that unless the witness testifies that he has personal knowledge of this.

Q Were you present when this happened?

A I was about the length of the car away and I saw them when they took the pistol off of him.

Q And these two men, were they deputies also?

A Yes, sir.

Q Who were they?

A J. B. Layne and E. H. Gant.

Q Were you three the only three officers at the scene at that moment?

A No, sir, I believe there was two or three more. I know we eventually got nine men up there.

Q Over a period of time?

A Yes, sir.

[1251] Q What happened after these men took the pistol?

A We put the man they took the pistol off of in the car, in the police car.

Q Then what took place?

A Well, Mr. Gilbert told me, asked me to, he told me he would take him out of there for us. I objected to that.

At that time he said he didn't believe we would get out

with him but I pulled the car off of the road, off of the road into a driveway. We sit there some several minutes.

He came back, talked to him numerous times in those few moments and I told him—he wanted to take him on, make his bond and bring him back to court. At that time we objected to that. I told him if I let him have him I didn't want to see him any more.

Q What were the men around there doing while this was going on?

A They were all around there, just milling around.

Q How many were there?

A Right around the car there were several, but they must have been around a hundred or more later when they all got together.

Q Now—

A (Interposing) I'd say approximately 100.

[1252] Q Now, what was finally done and at whose suggestion?

A Mr. Gilbert said he would take him if I let him have him and he would take the men out and they would not be back.

Q Did you accept this?

A Yes, sir.

Q Then did you advise Mr. Gilbert that you had accepted that proposition?

A I did.

Q And what happened?

A He got up on the bank and just a little above us there, right at the foot of the hill, and he made a statement to the men, got the men around and they came from all around in the woods and got up on the bank and he says, "The county police have been nice to us." Said, "I am ready to get out of here. You fellows follow," or something to that effect, and hands went up.

Q Did he raise his hand at that point?

A I am confident he did, yes, sir.

Q Did anybody else raise their hands at that point?

A Yes, sir, I reckon about all of them hands went up all around there, sir.

Q Then what did they do?

A They got in their cars and left.

* * *

[1405] **BOBBY LAYNE**

a witness called at the instance of the plaintiffs, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

* * *

[1406] Q Have you ever had occasion to work for Grundy Mining Company before that particular date?

A Yes.

Q And when was this, please, sir?

A It was on about May the 15th, 1963.

Q Did you at that time start to work for Grundy as a guard?

A Yes.

Q Now, where was your duties confined at that time?

A At the loading ramp in Palmer.

Q And when did you go to work as far as the time, during the time of day?

A It was 6 p.m. in the afternoon when we went on.

Q Now, you say "we." Who do you mean by "we"?

A The other man that worked with me, Aaron Presnell.

Q Now, during the period from May 15th that you worked as a guard, did you hear any shooting or

[1407] dynamiting during the evenings during that period of time?

A Yes.

Q On many or few occasions?

A Many. Every night they would either shoot toward us or put off dynamite as close as they could get to us.

Q Did you know at that time or do you know now who was doing the shooting or dynamiting?

A No, not personally.

Q Now, I direct your attention to June the 21st.

MR. COMBS: Of course, your Honor, we have a continuing objection to this type of testimony.

THE COURT: All right. Overruled.

Q June the 21st, 1963, and ask whether or not you attempted to go to work on that particular day?

A Yes, I did.

THE COURT: What year, '63?

MR. CAMERON: Yes, sir.

A Yes.

Q Now, did you pick up anyone on that particular evening?

A Yes. I went by Aaron's house and picked him up that evening, it was the first time I had ever went by and picked him up.

Q Now, would you just please relate to the [1408] Court what occurred after you picked Mr. Presnell up on that evening?

A We drove straight on to Palmer and as we turned off of No. 108 Highway, why, there's a side road down through that leads to the ramp and there was an intersection down there at the foot of the hill and as we got inside of the intersection we seen there was a car setting there and we could see men getting out of it as we were approaching them and we could see they had guns with them and we drove on up to them, in about 25 yards of them, and we seen they all had rifles or shotguns. I don't know the

number but they were pointing at us.

So Aaron decided we had better back up. So I started to back up and they was a car on my—next to me and I couldn't, so we had to sit there a minute to wait for him to get out of the way and we backed up, it was 75 yards, and they shot through the windshield and killed him.

Q Were there any other shots fired prior to the shooting of Mr. Presnell?

A They was one fired as we approached them that hit the ground in front of the car.

Q Did you all have guns in your vehicle?

A Yes.

Q Were you able to utilize these guns in any way?

A No.

* * *

[1732] MR. ROWNTREE: The next is the deposition of Mark Eastin, taken at the offices of West Ken-
[1733] tucky Coal Company, Madisonville, Kentucky, October 13, 1960.

MARK EASTIN

DIRECT EXAMINATION

"Q Mr. Eastin, where do you reside?

"A 134 Union Street, Madisonville, Kentucky.

"Q That is more than 100 miles from Knoxville, Tennessee?

"A Well, about 300, I think.

"Q What is your official position?

"A President of the company and I am a director of the company.

* * *

[1762] "Q Mr. Eastin, did you have any conferences with any individuals in connection with the reduc-

tion of the rail rate from Kentucky to the Widows Creek Plant of TVA?

"A Yes; we are always after the railroads to reduce freight rates and I have discussed it with some of the L&N officials and our sales department has been very active on that. We are constantly trying to get the cost of transportation down and that is no unusual development in our picture."

* * *

[1764] "Q Have you discussed the reduction of the rate with Peabody Coal Company?

"A No, we have never discussed it with Peabody Coal Company, frankly, because we wanted to take credit for getting the rate reduced with the buyer."

MR. ROWNTREE: My next question was, "You have discussed it then with TVA?" But I think that that activity would be under the Supreme Court Rule, so we skip that.

"Q Do you have any bids in now to Widows Creek under the reduced rate?

"A We have bids in with Widows Creek. Of course, the reduced rate would apply if it is established."

* * *

[1980] MR. ROWNTREE: Go to page 1446. This is the cross examination of Mark E. Eastin, whose deposition was previously read, the president of West Kentucky Coal Company.

MARK E. EASTIN

* * *

[2068] "Q And I believe the West Kentucky Coal Company takes credit for the new shipping, new freight rate, from the West Kentucky field to Widow's Creek?

"A Well, any time you are successful or a rate is reduced to a buyer, you like to take credit for it because—

"Q Yes, sir.

"A Because that puts the buyer morally at least under obligation to you maybe to give you some coal business.

"Q Yes, sir.

"A And that is the way a lot of coal business is developed.

"You go in and the fellow says, 'I can't take your coal, because it delivers at too high a price,' and maybe you go to the railroad and say, 'Look, if this fellow would give us a million tons of business, how about shaving the rate a little bit, I think we could—if we get a rate
[2069] reduction, we could enjoy some of this business.'

"That has been going on for years and years—ever since I have been in the coal business—and you not only have to be a coal salesman, but you have got sometimes to be a rate salesman, looks like. There's nothing unusual about it, and I said we want to take credit for it, that's natural. We want to get the credit for having developed a lower price per million BTU as a result of the freight rate, and that is what we did.

"Q You are not competitive in the Widow's Creek market?

"A Well, I don't know about that.

"Q Well, that is why you got the rate in?

"A I presume so. You bear in mind, though, on bids to TVA, you don't bid to just one plant. We put it in, and they have a right to put it in anywhere, and they take the transportation costs to these various plants.

"We may be shipping Widow's Creek, and they may call us on the telephone tomorrow and tell us to ship to Johnsonville, and cut off Widow's Creek.

"Q Yes, sir.

"A So we don't know."

* * *

[2227] Go to the deposition of Mr. Carl McFarlin, Jr., taken at Nashville, Tennessee, July 16, 1965.

CARL McFARLIN

DIRECT EXAMINATION

* * *

[2260] "Part of the meeting Mr. Broyles was in and we put forth our questions to him and told him at that time we didn't know if we would be able to sign the contract as it was put out or not. I was spokesman for the company, and Mr. Lewis said, 'Son, what other alternative do you have?'

"I said, 'Mr. Lewis, you know what other alternative there is.'

"He just looked at me and said, 'Son, I wouldn't try it if I were you, you will be awfully sorry.' He said, 'Now, don't give me any of this business about you are not authorized to sign the contract because I know.'

"I said, 'My board of directors won't let me sign the contract.'

"And he said, 'Don't give me that, I know how board of directors work. You sign the contract then go back and sell the board of directors.'

"This is in substance the conversation. It was a very pleasant conversation.

* * *

[2284] "There was a mass meeting on Saturday of all of the Mine Workers and independent truck mine operators, truck drivers, and so forth, members of the United Mine Workers, which I understand was for the purpose of withdrawing from the United Mine Workers and resuming work. The same gentleman who met with the mine managers, referred to in the above paragraph, appeared on the scene almost at the outset of the meeting

and took charge. He informed the men that there was
[2285] not room in that area for two unions, that the United Mine Workers were in and intended to stay in. At this meeting these gentlemen worked out a payment of $13 a week to each member of the four or five locals involved in the strike, and from reports that have come to me, there is about $12,000 available in the treasuries of the locals involved. We estimate there must be around 3,000 men out on strike, and at $13 per week would involve a payment of approximately $39,000. I am told that the first payments will be made from the treasuries of the various locals until the funds are exhausted, on a first-come-first-served basis; after that, the national union will pay the difference; therefore, if all the men on strike apply for the subsistence or 'Esau' as it is commonly termed by a union miner, the union will have to dig in to the tune of $27,000 for the first week, and if the strike continues into the second week, an additional $39,000 will be required.

* * *

[2290] "Q I show you a memorandum dated March 29, 1957, from Travis to small mine operators. Does that represent the situation with respect to the market at that time?

"A Yes, sir, our contract had run out and we didn't know how many more contracts, or what tonnage we would have after that time.

"Q Would the authorization to withhold the Welfare Fund apply to new business from that point on?

"A Yes, sir, it would.

"Q What was the condition of the market at that time, Mr. McFarlin?

"A Well, the market was fairly good prior to this and yearly it had declined to this point. About this time TVA put in a different policy of evaluating coal. Previous

to that, contracts that we had prior to this letter were all evaluated on the basis of deliveries of coal to the steam plant where the coal was required, such as Widows
[2291] Creek, primarily, although we did ship some coal to Hales Bar, there locally.

"I am not exactly sure of when the Grand River freight was put in, but along the same time TVA started evaluating coal systems wide. That is, coal from the West Kentucky field was evaluated into Widows Creek, our coal was evaluated down the river towards Colbert and the steam plants in that direction, towards Watts Bar and Kingston in the other direction. This put us under the gun of cheap freight rates and cheap coal out of the West Kentucky field, although in looking at their records, their burn records and things of that sort that they used, we thought that certainly they wouldn't take the cheapest coal and ship it the fartherest just to beat us down. But there was always this possibility and TVA, on several plants, cut off the coal from bids that we made, cut off the ones that bought our coal, their excuse being: 'We can ship coal out of Grand River cheaper.' This had the tendency, and just prior to this time we had been treated this way by TVA, so that our contracts had been allowed to expire, work out, and so this letter, as I was just saying here, was to explain the situation to operators that the prospects of us getting new business were a lot dimmer than they had been in the past."

* * *

[2583]

PAUL V. CALLIS

a witness called at the instance of the plaintiffs, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

* * *

[2594] Q Now, Mr. Callis, will you give us what the situation was with respect to the small truck mines on Tennessee Consolidated property in the period when you started with the company in 1945, did you have truck mines at that time?

"A When I joined Tennessee Consolidated the A. L. Henderson lease was operating mines in an area known as the Pocket. These mines were mining coal at the fringe of the mountain in the finger, in other words, where the main mountain became the back of my hand, so to speak, these fingers (indicating) would go down and these blocks of coal are not large enough to economically sustain or justify mechanization to the extent that you could afford to do it in the main mountain and any more than Southeast Tennessee can afford to mechanize as much as West Kentucky or West Virginia or the Pittsburgh No. 8 seam, which is six and eight feet thick.

* * *

[2605] **PAUL V. CALLIS**

a witness called at the instance of the plaintiffs, having been previously duly sworn, resumed the stand and testified as follows:

DIRECT EXAMINATION (Cont'd.)

* * *

[2661] Q All right. I will ask for that paper back. I will show you a file of letters and a contract file, Whitwell Coal Corporation contract-TVA8595, and I will ask you if those letters represent copies of papers in that contract file.

A Yes, sir.

Q What is that contract file?

A This contract file contains a contract and all admin-

istrative correspondence between TVA and the Whitwell Coal Corporation carrying out the administration of the contract during the life of it.

Q All right, sir.

Now, we offer the copies, the set of copies of letters as the next exhibit.

MR. COMBS: We object to the whole thing. We think this is highly irregular, its correspondence between parties separate and apart from this lawsuit, it's hearsay as far as these defendants are concerned.

MR. ROWNTREE: If your Honor please, this is a record of interferences pursuant to the fulfilling of this contract that we talked about before, the May 1955 contract at Colbert and criticized by the UMW and the Journal and which was going on during this long stoppage in
[2662] '55 and this is the record of correspondence with reference to these stoppages.

MR. COMBS: That's what they were telling the TVA, that the union knew nothing about, had nothing to do with, it's hearsay.

Q Mr. Callis, do these letters represent a true picture of the interferences that were going on during the course of the fulfilling of this contract?

A Yes, sir.

MR. COMBS: Now, we object to that general question. He hasn't shown anything in that letter, and just to say that these letters represent the interferences, I suggest the witness can testify as to what happened, what he has knowledge of instead of generalizing with the word "interferences".

The witness is forming a conclusion completely on what the file shows.

THE COURT: Are you ready for the Court to rule on the objection?

MR. ROWNTREE: Let me ask this question:

Q Mr. Callis, do you recall whether you had just one interference or how many interferences on the fulfilling of this contract?

MR. COMBS: We object to the form of the ques-
[2663] tion, your Honor.

THE COURT: Overrule the objection.

A We had many interferences.

MR. ROWNTREE: We would extract from that file one letter and file the rest of the letters for identification. We offer this next letter.

THE COURT: Exhibit No. 277 for identification only.

(The file referred to above was marked P277 for identification only.)

MR. ROWNTREE: We offer as the next exhibit Supplement No. 10 to the 8595-A contract.

MR. COMBS: May we see it?

MR. ROWNTREE: Yes.

MR. COMBS: We object to the competency and materiality of it.

THE COURT: All right.

MR. ROWNTREE: This has to do, your Honor, with the loss of tonnage under this contract that was canceled and never delivered.

THE COURT: Are you objecting to the authenticity of this as being a supplement to the contract as represented?

MR. COMBS: No. We are not objecting to the authen-
ticity. I think it shows on its face that it is a
[2664] supplement. We are objecting to the competency and materiality of it.

THE COURT: I believe I will overrule the objection.

(The coal contract amendment referred to above was marked P278 and received in evidence.)

MR. ROWNTREE: I will read that letter, a portion of

it. This is regarding Contract 8595-A, Supplement 10, dated March 29, 1957, on Tennessee Valley Authority, the Whitwell Coal Corporation.

"This concerns the tonnage canceled from delivery by Supplement No. 9 to the above contract.

"Supplement No. 9 showed a total of 524,406.25 tons shipped on the above contract through March 1, 1957, which left a deficiency of 129,473.75 tons which was excused and canceled from delivery."

THE COURT: You wish to file that exhibit?

MR. ROWNTREE: That is the Exhibit 278.

* * *

[3015] MR. ROWNTREE: Counsel is right. We don't have any agreement. We will go to the deposition of William von Meding taken in Chicago in September 2nd, 1965.

[3016] **WILLIAM VON MEDING**

DIRECT EXAMINATION

* * *

[3018] "Q What was the period of the largest growth of Allen and Garcia? Was it before World War II or after World War II?

"A Well, I would say immediately at the end of the depression. The Union-Pacific Railroad, who is one of our very good accounts, saw fit to rehabilitate their entire properties at the then existing low rates for merchandise and labor, and they started us, they lifted us up out of the depression. That was in late '38, early '39, and then, of course, that was followed by World War II during which time, of course, we were busy as everybody else.

"And after World War II our business increased constantly until it peaked off in, well, about the time of the

Kennedy Administration. Then all of the big corporations saw fit for a while to pull in their loans and so much of the work had been deferred, so there was a period in there from '60 up until recently where the volume of work the company did was not as great as it had been.

"Q Was the period of growth mainly in the time that you were president of the corporation?

[3019] "A Yes, that's right.

"Q Can you tell us to what extent Allen and Garcia has been engaged in the bituminous coal industry? Has it been just engineering or what?

"A No, we have the distinction, or they did, not myself, because I am no longer with them, of being the one outfit in the country that takes all phases of coal mining from prospecting, finding, the design, the construction, and, if desired, the operation. Now, we had competitors in various branches, but there was no single competitor that I know of that covered the entire range we did.

"The result was, World War II came along, we were just automatically give the development of that huge coal mine out in Utah because they got in one outfit, they got the entire setup, and to that extent, we are, I would say, novel.

"Now, there have been several attempts made to cover the full scope the way we have, but none of them have lasted.

"Q How long has Allen and Garcia lasted in that type of operation?

"A Well, since inception, 1911. We are still.

"Q Has it been continually in bituminous coal with this type of operation since that time?

"A Yes. Of course, we have expanded be-

[3020] yond that into anthracite and very largely into the salt industry. It started originally because the mining or rock salt was very similar to that of coal min-

ing, and the developments that we had been responsible for back in as early as 1920 prompted the rock salt miners to come to us. And we have built the majority of the rock salt plants and later the evaporator and grainer plants, and now the solar evaporation which is coming to the front in the Bahamas and on the West Coast in Mexico.

"Q Has Allen and Garcia while you have been president had any business relationships with Hanna Coal Company or Consolidation Coal Company?

"A Yes.

"Q To what extent?

"A Well, it started when Mr. James Hyslop became general manager of what was then the Hanna Coal Company, which was wholly owned by M. A. Hanna, and I had worked for him since 1917 in previous capacities, and that started our work for what later became Consolidation Coal Company.

"We have done all of, practically all, of Hanna's work and that branched out into Consolidation Coal Company of Kentucky and West Virginia and the Pittsburgh Coal Company. We have done work for all of those branches.

"Q What was some of the large jobs that you did for that company?

[3021] "A Well, probably the outstanding job was that large cleaning job at the Ohio Products near Cadiz, but it took in the entire scope of this operation from about 1940 through to the present time. In addition to that, of course, we, as I mentioned before, we got into other divisions.

"Q What about Peabody Coal Company, have you had any business relations with them?

"A Yes, originally we became the consultant engineers for the Commonwealth Edison Company and associated utilities in this area who at that time were purchasing

all of their coal requirements from Peabody Coal Company on a contract basis, and as the result of that connection, for many years, we also did all of the engineer's work for Peabody Coal Company. Now, that is not the same Peabody Coal Company that exists today.

"Q Is this before they acquired the Sinclair properties?

"A That is right, or before Sinclair acquired them, the other way about.

"Q I think Sinclair was merged into the Peabody in the final—

"A The reason that they, as I understood it, that they called it Peabody instead of Sinclair was on account of the tax situation. There was a tax advantage in one taking over the other, but actually the Kelce interests
[3022] took over Peabody, the Chicago people's interests.

"See, the Peabody Coal Company was formed by Frank Peabody and then succeeded by his son, and in turn again by his grandson, and it was in the grandson's term of office as president that it was purchased by the Kelce interests took place.

"Q Now, did you have any jobs directly for Peabody?

"A For the old Peabody Coal Company?

"Q Yes.

"A Yes, we did. Over a number of years we built mines and large cleaning plants for them.

"Q What about Stone and Webster, are they engaged in coal operations?

"A Well, the Stone and Webster people owned or controlled the Chicago, Bloomington and Franklin Coal Company, which became one of the largest in southeast Illinois, and we did all of their work over a period of 40 years.

"They finally sold out to Colonel Crown. They operated under a name here in Illinois, but prior to that for about 40 years we did all of Chicago, Bloomington, and Franklin

Coal Company's work under the direction of Mr. George Harrington, who was president of that whole period.

"Q I suppose along with these names you have engaged in operations with a number of other coal com-
[3023] panies in the country, is that true?

"A Yes, I would say most of the larger ones. The railroads, for instance, own or control a number of coal companies. We have worked for a great many of those: Union-Pacific, Chicago and Northwestern, Chicago and Eastern Illinois, and some of the smaller ones.

"Q Is there any substantial field of coal in the United States that you have not engaged in activities?

"A I can't remember any now. I think we have been in all of them.

"MR. COMBS: Are you still talking about bituminous coal?

"MR. ROWNTREE: Yes.

"A Bituminous coal. Our only venture, and this was when the Stone and Webster people undertook and financed the rehabilitation of the Philadelphia and Reading Coal Company. The then vice-president of the Chicago, Bloomington and Franklin Company was moved on to the presidency of the Philadelphia and Reading Company and Stone and Webster, because of the magnitude of the operation, insisted that they would form an independent division and do that work, but President Maloney insisted that we take part in it. So five of us of the Allen and Garcia Company were sort of watchdogs at Stone and Webster's organization to supervise the work that Stone and Webster was doing, which was brand new to them at that [time] and,
[3024] of course, old to us.

"Q Had you done any work in the lignite field?

"A Oh, yes, yes, a great deal; in North Carolina for Truas-Traer and very largely in Canada, in western Al-

berta. We entered that field in 1928 and we are still there.

"Q Have you personally been engaged in bituminous coal activities in foreign countries?

"A Yes.

"Q Where are some places?

"A Almost all of them except South Africa. Australia and Europe, Asia, South America, and, of course, all of our North America, Mexico. We did a lot of work for Guggenheims in Mexico.

"Q What about Siberia?

"A I spent a year and a half there back in 1930, '31. We had charge of the complete bituminous coal development from the Urals to Vladivostok. That was the one place in the world where I have been where lignite and anthracite were within 40 miles of each other, very strange deposits.

"Q Did you have any participation in the early development of the large stripping shovel in bituminous coal?

"A Yes. Mr. James Hyslop, who later became president of the first Hanna Coal Company and later the

[3025] Hanna Division of Consolidation Coal Company, foresaw that the future of the Hanna interests lay in strip mining rather than in deep mining as they had been predominantly doing and he was by education an engineer, electrical engineer, and he started out with the Marion Power Shovel Company at Marion, Ohio, to develop these large shovels and the very first huge shovel they developed, dubbed 'The Mountaineer,' became history, and from there, of course, it has been taken up, and that was, I think either 50 or 60 cubic yards and they have run up as high as 115.

"But prior to that our work for Bledsoe had taken us into stripping operations in various parts of Illinois and Indiana, and on that assignment I had much to do with the development of the shovels that ultimately got up as high

as 30 yards.

"During the depression we were engaged by the Bledsoe interests and the Marion Power Shovel Company to do the engineering work to allow them to cover the building of all equipment for coal mines as well as shovels. I resided for two years in Marion in charge of their engineering department, assisted by 12 of my own men, and we did a tremendous amount of work for the Bledsoe interests in building complete mines.

"Q Now, was Mr. P. H. Fitzgerald one of your employees?

[3026] "A Yes.

"Q In Allen and Garcia?

"A Yes.

"Q He has testified in this case about his various places that he worked and there is no need to repeat that, but let me ask you what was your opinion of Mr. Fitzgerald as to competency as a superintendent of mines?"

"MR. COMBS: We object to that."

MR. COMBS: We still object to it about his opinion about Fitzgerald, that is not binding on these defendants.

MR. ROWNTREE: We go to line 8.

"Let me ask you this question: What was your experience with Mr. Fitzgerald?

"A As I employed him there was a misunderstanding. We were handed that job officially.

"Q Which job is that?

"A The one out in Utah. They assigned the complete building of that mine to us, but they did not realize that you can't build a coal mine without becoming coal mine operators. In other words, we couldn't build the rotary dump station deep in the heart of the mine until somebody had driven entries to that point, and the driving of entries underground under state and federal regulations, as you

know, is coal mining. It is not construction.

[3027] "So we finally were qualified as coal mine operators as well as constructors of the project and which immediately called for a mine superintendent. Well, I had gotten acquainted with Mr. Fitzgerald because he was a salesman for the General Manufacturing Company who sold us the mining equipment that we bought. It was part of our job to buy the mining equipment then. And he had previously been their representative in that western country for many years and was thoroughly conversant with the peculiar conditions that existed out there.

"We were going right down into the mountain with seams 14 and 16 feet thick, which is an entirely different story from anything in the east.

"Well, to make it short, I hired Fitzgerald as a superintendent. He did a marvelous job and at the conclusion of that work I assigned him to the Commonwealth Edison Company, supervision over Peabody Coal Company, which he did for, I think, about six or seven years after that, following which I assigned him many jobs. So I had a total experience with him from 1942 until my retirement, all of which was satisfactory.

"Q Mr. Fitzgerald, I believe, you placed in charge of the operations for Tennessee Consolidated Coal Company in Tennessee?

"A That is right.

[3028] "Q Was he given the primary responsibility down there in that operation?

"A He was. By that time he was the vice-president of our corporation and was fully capable of doing whatever was necessary.

"Q Did you, yourself, make trips to Tennessee?

"A Occasionally."

* * *

[3319] **GEORGE RAMSEY**

a plaintiff, called as a witness at the instance of the plaintiffs, being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

* * *

[3350] Q Referring to Exhibit P361, I am handing you the company's income tax return for the year 1959, and ask you to tell us the amount of profit made by the company that year.

MR. WALKER: Your Honor, to save time I could point that out. They have changed the form for that year.

A $23,625.40.

Q I ask you to look into the return and tell us how much the company paid the United Mine Workers of America Welfare Fund in that year.

A $48,334.56.

Q I hand you Exhibit P361, the company's income tax return for the year 1960, and ask you to tell us the amount of profit made, profit or loss made by the company [3351] during that year.

A The company lost $17,991.02.

Q How much was paid into the United Mine Workers of America Welfare Fund?

* * *

[3352] Q Mr. Ramsey, would you now state to us the amount of welfare payments that were made by the company in the year 1960?

A $22,450.82.

Q Is that for a full year, Mr. Ramsey?

[3353] A No, that was for about five and a half months.

Q What happened at that time that you ceased

making your payments?

A That was paid up until they had the election with the NLRB and the UMW lost their election.

Q You can put that down. I am finished with it. During the years 1957 and 1958, '59, did you submit any bids to TVA for term contracts?

A Yes, sir.

Q What did you take into consideration when you prepared your bids for TVA?

A 1957, I believe it was, we bid to try to have 40 cents into the price and we never got the business.

Q Did you submit any bids in 1958 for the term market?

A I don't recall. I can't remember if we bid term that year or not, I know there was some bids out about that time for heavy tonnage and long term and we couldn't meet the heavy tonnage on some of those requirements.

* * *

[3369] MR. ROWNTREE: If your Honor please, we'd like to read into the record Exhibit P159, which is Page 12 of the UMW Journal of November 1, 1963.

MR. OWENS: What is the number of that exhibit?

THE COURT: One hundred fifty-nine.

MR. ROWNTREE: It's on the editorial page of the UMW Journal for that edition captioned, "A salute to 600 valiant men of District 19 in Tennessee.

"The Tennessee hills south of Chattanooga, which border on the Deep South States of Alabama and Georgia, are filled with valuable coal. Since last Christmas 600 coal miners living in these rugged, ancient mountains have been waging a fight for the UMWA that has been almost without parallel in recent years.

"For ten months these hardy, devoted union men have been fighting successfully against the combined efforts of their employers, a company-dominated rival union, in-

junctions issued by United States and local courts, and real and threatened violence. It is heart-warming to report that the battle is being won.

"Symbolic of eventual victory was an October 15 election conducted by the National Labor Relations Board at Jasper, Tennessee. There were 158 unchallenged [3370] ballots cast. Of these, the UMWA received 108 and the Southern Labor Union 50. A total of 421 votes were challenged, 42 by UMWA observers at the election and 379 by the NLRB. We are sure that virtually all of the votes challenged by the Board were cast for the UMWA. So, if all 42 votes challenged by the UMWA are tallied, the election still belongs to our union, even if the NLRB throws out all remaining ballots.

"A book could be written about this long strike. Basically, it is against two large coal operators, the Tennessee Consoli ated Coal Company and the Grundy Mining Company, plus small captive operations which produce their coal for these two big companies. Coal from the Sequatchie Valley, 'the Pocket' and other areas in the Southern Tennessee mining counties of Grundy, Marion and Sequatchie is shipped to TVA Steam Plant at Widows Creek, Alabama. In spite of this assured market at a profitable price, the Southern Tennessee operators decided to terminate their agreement with the UMWA last December. As a consequence, virtually all miners in Southern Tennessee left the pits the day after Christmas and have remained away from work ever since.

"Since then, the operators have used all of the anti-union techniques which have now become all too familiar to many members of the UMWA. Injunctions against legitimate picketing were obtained from local and Federal Courts. Threats of death to union men and harm [3371] to their families became the order of the day. Our

members were also told that if they refused to work at substandard wages that the mines would be permanently shut down. The companies abetted the efforts of a so-called labor organization, the Southern Labor Union, to 'organize' the miners, and in pre-election propaganda urged employees to vote for this company-assisted union. Multi-million dollar lawsuits have been filed alleging violation of the Taft-Hartley Law and five days before the election an antitrust suit asking for 4.5 million dollars in damages was filed in the Federal Court at Chattanooga, the latter an obvious propaganda device to attempt to influence the outcome of the NLRB election.

"The operators have bombarded coal miners in Southern Tennessee with all types of propaganda, including flyers, advertisements in local weekly papers, spot ads on the radio, and mailing out of an open letter addressed to area coal miners by a renegade former official of the UMWA.

"All these devices failed, as they were destined to, because they were based on untruths. The UMWA's officers in District 19 relied upon the loyalty of the membership and hard work to insure the successful outcome of this election. Too much credit cannot be given to these leaders—President William Turnblazer, Secretary-Treasurer Albert Pass, International Board Member James Ridings, and District Representatives Ernest Stults
[3372] and Howard Madewell. Of course, their efforts received full support and guidance from UMWA President W. A. Boyle.

"However, our officers are the first to acknowledge the fact that credit for the courageous fight being waged by these men belongs to the men themselves and to their local union officers. They have refused to accept work as scabs and remained loyal in spite of short rations for their families and the many other hardships strikers have

endured throughout the long and glorious history of the UMWA.

"The battle is not over. A contract with these obdurate, stubborn and hard-headed operators and their attorneys must be negotiated before the victory is complete. Yet, the men of the pits in Southern Tennessee are facing the cold winter months staunch in their conviction that they will soon return to work under the protection of a contract that gives them good wages, provides them with welfare fund benefits unparalleled in our country, full protection of a safety code, plus the other provisions essential to the dignity and well-being of an American who works in our coal industry.

"We are sure that all good union men in the United States will join us in saluting the 600 men who are fighting a battle for themselves—and us—in the hills and valleys of Southern Tennessee."

* * *

[4784] C. EDWIN ROSS

a witness called at the instance of the defendant, being first duly sworn, was examined and testified as follows:

* * *

[4794] CROSS-EXAMINATION

* * *

[4798] Q And what has been your duty station then since that time, March of 1958?

A East Tennessee.

Q What county up there do you cover, Mr. Ross, within your area?

A Anderson, Campbell, Morgan, Roane.

Q Now, those are four counties that are within your jurisdiction, so to speak, as field representative?

A Yes.

Q Are they pretty well organized, Mr. Ross?

A No.

[4799] Q They are not?

A No.

Q How many mines are being operated in that section, sir?

A How many mines are operated?

Q Yes, sir.

A I couldn't say that, there's several.

Q You have several under contract up there?

A No.

Q You don't have any under contract?

A Yeah.

Q Who do you have under contract?

A Pocahontas Fuel Company.

Q Any other mine?

A No, not that I know of.

* * *

[4802] Q All right. Now, Mr. Ross, you mentioned something about seeing Mr. Callis there one morning, the 17th or 18th or 19th of September of 1962, there at the access road at Grays Creek?

A That's right.

Q Now, do you recall the date that that was?

A No, I don't remember the exact date, it was in the latter part of September.

Q Latter part of September. Now, Mr. Ross, was there any other occasion in late September that you talked with Mr. Callis or saw him there?

A I don't recall no other occasion. He told me on that day that he would be there over the weekend and if I wanted to talk to him we could get in touch with him by telephone, but I don't recall talking to him any more.

Q That was the only time you saw him?

A Mr. Ridings sent me on back home.

Q To the best of your knowledge, now, I be-
[4803] lieve you stated a moment ago that Mr. Callis stated that he wasn't going to deal with the United Mine Workers, he was going to work those people, is that what he said there?

A No, he said he wasn't going to work under the United Mine Workers' contract.

Q Yes, sir. And what else did he say there?

A Well, that is about all I recall except him telling me he was going to be out around Tracy City and Monteagle and call him.

Q He wasn't going to work under a United Mine Workers' contract?

A Under that contract.

Q Under that contract. And that he had stood trouble before, did he say that he had had some war service and he wasn't afraid of trouble, did he make that statement, is that what you said a moment ago?

A I heard him say to the men that he had served in the service and saw bloodshed and might see some more.

Q Uh-huh.

A But that he was going to run that mine regardless.

Q Going to run that mine regardless, that's what he said?

A Or them mines, he said he was going to open several.

Q All right, sir. Now, Mr. Ross, I believe
[4804] you testified in behalf of the United Mine Workers of America, Palmer Local 5581 and District 19, on the 26th day of April, 1963, before the National Labor Relations Board at Jasper, Tennessee.

Do you recall testifying there on that occasion?

A I testified down there, I don't remember the date.

Q But you recall that testimony that you testified?

A Yes, sir.

Q Those days?

A Yes, sir.

Q Do you recall this testimony here?

MR. COMBS: What page, Counselor?

MR. ABLES: That's the 26th day of April, 1963, page 618.

BY MR. ABLES:

Q Beginning at page 618:

"While you were there the morning of September 19th, did you see Mr. Paul Callis?"

And your answer was, "Yes, I did.

"Now, explain what conversation, if any, you had with him out there that day, if any."

And you replied, "Well, I drove out there and was going on to Palmer and planned to talk."

Then there's a little more here and then the [4805] witness says, went on to say, "I was called up where he was speaking to the men."

Then the witness was asked, "Who called you?"

And the witness, you, yourself, "Some of the men that were there in the crowd where he was talking. I don't recognize who called. He told me he was going to operate some mines there, Grundy Mining Company, he was president of Tennessee Consolidated. He was going to put several men to work, that he was ready to bargain with the United Mine Workers of America, that he was going to organize an association for the purpose of all of the coal mines bargaining with the United Mine Workers of America. He told me that he was going to be in this field, in this area, two or three days or the rest of the week, that I could reach him at Tracy City or if I couldn't get in there he would go to Monteagle and he told me where to

call him, that he was ready immediately to bargain with the United Mine Workers insofar as Grundy Mining was concerned. He didn't know how soon he would have the association formed to bargain."

Now, was that pretty much the testimony that you gave us before, Mr. Ross?

A What is that?

Q Was this the way you testified before, do you recall testifying along those lines?

A Yes, sir.

[4806] Q And at that time you didn't say anything about that, "I could recall that Mr. Callis said he was not going to operate under any Mine Workers' contract"? Did you say he didn't say he was ready to bargain?

A He wasn't—said he wasn't going to work under the present agreement, he wasn't going to pay but $20.12.

Q Well, you didn't mention that before in your testimony?

A But that he would meet and negotiate.

* * *

[5526]

PAUL V. CALLIS

a witness called at the instance of the plaintiffs in rebuttal, being previously duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

* * *

[5528] Q Did you ever attempt to bribe Mr. Gilbert?

A No, sir.

MR. COMBS: Now, that's pretty general. I don't remember any testimony that Mr. Gilbert said that he tried to bribe him.

THE WITNESS: Yes, sir, he did.

Exhibit P-302

MR. COMBS: Did he?
THE WITNESS: (Witness moves head up and down.)
MR. COMBS: I don't recall it.

* * *

EXHIBIT NO. P-302

TENNESSEE CONSOLIDATED COAL COMPANY

Tracy City, Tennessee

September 23, 1960

TO EMPLOYEES AND FORMER EMPLOYEES OF TENNESSEE CONSOLIDATED COAL COMPANY:

It is our hope that this letter will correct any misunderstanding that has apparently resulted from the Company's decision to withdraw from the coal producing business and terminate its contract with the United Mine Workers. These decisions were dictated to the management by the stockholders and directors of the Company after its efforts to obtain a workable contract with the United Mine Workers had failed.

Beginning in 1958, it became apparent that the Company would soon have to reduce production costs at the Coal Valley Mine or eventually close it. No satisfactory way could be found in 1959 that would enable the Company to continue to mine coal profitably for the market as it existed then. In fact, the Company suffered heavy financial losses in its Coal Valley operations during 1959.

These losses proved that the Company could not continue under the National Bituminous Wage Agreement without suffering additional heavy financial losses particularly in view of developing competition out of the West Kentucky coal field and because of less than scale wage rated paid by man other operators in this field. During this time the Company sought repeatedly to negotiate a contract with officials of the United Mine Workers that would recognize conditions as they exist in this field and that would produce a wage scale under which the Company could continue in the producing of coal. Enclosed is a copy of a letter from Mr. Everett Roberts to Mr. J. W. Ridings offering to make a contract.

As a result of the absolute refusal of the UMW officials to negotiate a workable contract within our area, the Company determined that it would have to find other means of producing coal and could only continue in the business by leasing mining rights on its lands to subsidiary companies and others. Accordingly the Company leased some land in the Gray's Creek area to Grundy Mining Company, a Company owned subsidiary. After a thorough study of competition from other operators in our field, as well as from West Kentucky, it was found that Grundy Mining Company could only agree to pay the Walsh Healey base rate of $2.51-1/2 cents an hour and up to 10 cents a ton for hospital and medical benefits for miners and their families.

It has been the hope of Tennessee Consolidated management from the beginning that a new contract could be negotiated with the United Mine Workers to cover the Coal Valley mine under which new coal contracts could be obtained that would permit its operation until exhaustion of the mineable coal. As you know the Company has

a very large investment in equipment now located in this mine and there are hundreds of thousands of tons of coal to be mined. As of now we are prepared to re-open the Coal Valley Mine if there can be obtained a workable contract with the United Mine Workers for its operation.

As you know the management of Tennessee Consolidated expressed grave concern over threatened competition from West Kentucky coal if the L & N rail rate for the West Kentucky field to the Widows Creek Steam Plant were reduced. This rail rate was recently reduced from $2.69-1/2 cents a ton to $1.55 a ton effective October 1, 1960 with provisions for this rate to go as low as $1.40 a ton.

Also over the last several months it has been established from federal court and other legal records that the United Mine Workers union controls the West Kentucky Coal Company. As of September 1, 1960, the date of the last TVA bid opening, this coal company established itself as a deadly competitor to producing companies furnishing coal to TVA from the thin and uncertain Sewanee seam. For example, the West Kentucky Coal Company offered large quantities of coal that would deliver to the Widows Creek Steam Plant at the very low price of $4.50 a ton. This price is $1.10 per ton less than our TVA ten year contract which was cancelled December 31, 1959.

In the face of this and other actions taken by the United Mine Workers they have refused to negotiate a contract with either the Grundy Mining Company or Tennessee Consolidated Coal Company. We honestly believe this is because they hope to get substantially all the business otherwise available to our field for the mines they control in West Kentucky.

Exhibit P-302

Because of the many rumors and the false information that has been given out on the mountain during the last several months we wish, at this point, to make it crystal clear that there never has been and there never will be any effort made to "get rid of" the United Mine Workers Union. The Grundy Mining Company has been empowered to operate mines on Company properties at wage rates and under conditions that will permit it and Tennessee Consolidated to exist. Therefore, we repeat that the Grundy Mining Company is ready and willing to sign a labor contract with the United Mine Workers or any union of your own choosing, whether it be a Southern Labor Union or an independent union which you may elect to organize for yourselves. However, a contract will not be signed for one wage rate and then the worker be paid a lesser wage rate for the same work, creating a legal liability for which the Company would be responsible in any way.

We wish again to state, the Company has no interest whatever in any labor union as such. It hopes, however, that a contract can be arrived at on the above wage rates and welfare payments. It does believe, however, that the union representing its employees must be willing to negotiate a collective bargaining contract as they are required to do by law and put the wage rates and terms to be paid in said contract. These hopes, however, cannot be fulfilled unless your bargaining representatives are willing to negotiate such a contract.

Sincerely yours,

/s/ Stanlee Hampton
President

/s/ Paul V. Callis
Vice President

/s/ Everett Roberts
Vice President

/s/ Houston Beaumont
Secretary

EXHIBIT NO. P-303

TENNESSEE CONSOLIDATED COAL COMPANY

Tracy City, Tennessee

December 28, 1960

To Employees and Former Employees of Tennessee Consolidated Coal Company:

A large number of our former employees have asked us if there is any hope for work. These men have said they want to return to work under conditions which will let the Company operate.

The Tennessee Consolidated Coal Company wrote you in detail on September 23, 1960, outlining the position as to its further coal mine operations. In that letter the Company explained in detail that because of economic conditions it could only pay the Walsh-Healey basic rate of $2.51-1/2 an hour and up to 10¢ a ton for hospital and medical benefits for miners and their families and still be able to sell the coal to TVA.

On September 30, 1960, Tennessee Consolidated Coal Company offered you employment at the above rate, although that offer of employment was a continuing offer, and we now advise you again that work is available to you on the same terms.

If you desire to work for either the Tennessee Consolidated Coal Company, or the Grundy Mining Company a wholly owned subsidiary company, please report to the office of the Tennessee Consolidated Coal Company as soon as you become available for work.

Sincerely yours,

Exhibit P-303

/s/ Stanlee Hampton
President

/s/ Everett Roberts
Vice President

/s/ Paul V. Callis
Vice President

/s/ Houston Beaumont
Secretary